+357 96 030922
info@marketpublishers.com

Industrial Electrification Market Forecasts to 2034 – Global Analysis By Product Type (Electric Actuators, Electric Switchgear, Electric HVAC Systems, Power Distribution Units (PDUs), Electrified Excavation Equipment and Electrified Pumping Systems), Sales Channel, Application, End User and By Geography

https://marketpublishers.com/r/IC7791B78550EN.html
Date: February 2026
Pages: 200
Price: US$ 4,150.00 (Single User License)
ID: IC7791B78550EN

Abstracts

According to Stratistics MRC, the Global Industrial Electrification Market is accounted for $52.31 billion in 2026 and is expected to reach $105.00 billion by 2034 growing at a CAGR of 9.1% during the forecast period. Industrial electrification involves transitioning traditional industrial processes from fossil fuels to electricity-based solutions. This shift improves energy efficiency, lowers greenhouse gas emissions, and advances sustainable practices. Implementing electric machinery, heating systems and automated technologies allows industries to enhance performance while reducing expenses. Utilizing renewable electricity, including solar and wind, further mitigates environmental effects. Additionally, integrating smart grids and energy management systems ensures efficient energy distribution, reliability, and optimized consumption. This modernization not only boosts industrial productivity but also aligns operations with global efforts toward decarbonization and sustainability, fostering a cleaner, more resilient industrial sector for the future.

According to IEA’s Net Zero by 2050 scenario, industrial electricity demand must double by 2050, with electrification covering over 50% of industrial energy needs to meet climate goals.

Market Dynamics:

+357 96 030922
info@marketpublishers.com

Driver:

Increasing adoption of renewable energy sources

The growing emphasis on sustainability encourages industries to implement electrified systems powered by renewable energy like solar, wind, and hydropower. Replacing conventional fossil fuel-based operations with electric solutions lowers emissions, reduces energy expenses, and ensures regulatory compliance. Integration of renewable energy into industrial electrification enhances energy efficiency and operational reliability while supporting sustainability goals. Government incentives, policies, and global decarbonization initiatives further accelerate the adoption of renewable-powered electrification. Consequently, renewable energy incorporation acts as a major driver of the industrial electrification market, facilitating growth and fostering environmentally friendly industrial practices worldwide.

Restraint:

High initial capital investment

Industrial electrification demands considerable initial expenditure for electric machinery, automation, and energy management systems. For small and mid-sized businesses, the high setup costs may be prohibitive. Retrofitting existing facilities and training personnel adds to overall expenses, creating financial challenges. Although electric systems offer long-term savings, the upfront investment often deters widespread adoption. Consequently, high capital requirements serve as a significant restraint, restricting the pace and extent of electrification adoption in industries, particularly where budget limitations or infrastructure constraints exist.

Opportunity:

Adoption of smart industrial automation

The growing implementation of Industry 4.0 and smart manufacturing technologies offers major opportunities for industrial electrification. Electrified equipment integrated with AI, IoT, and automation enables real-time monitoring, predictive maintenance, and optimized operations. These technologies help reduce energy usage, improve efficiency, and enhance production accuracy. Businesses adopting electric systems with intelligent automation benefit from lower operational costs, minimized downtime, and increased sustainability. The intersection of electrification and digital innovation provides

+357 96 030922
info@marketpublishers.com

avenues for enhanced efficiency and competitiveness. As smart manufacturing becomes more widespread, the demand for electrified industrial solutions is set to rise, presenting strong market growth prospects.

Threat:

Competition from conventional energy sources

Traditional energy sources like diesel and natural gas still dominate many industrial sectors because of established infrastructure and lower initial costs. These conventional systems compete with electrification, particularly in areas with limited electricity or renewable energy integration. Industries may continue using fossil fuel-based machinery due to reliability and cost considerations, delaying the shift to electric solutions. The ongoing prevalence of conventional fuels presents a market barrier, restricting the adoption of industrial electrification. Therefore, competition from existing fossil fuel-based technologies is a major threat, potentially slowing market growth and hindering widespread electrification in industrial operations.

Covid-19 Impact:

The COVID-19 outbreak had a notable impact on the industrial electrification market by causing supply chain disruptions, postponing electrification projects, and reducing global industrial output. Lockdowns and movement restrictions forced temporary closures of manufacturing facilities, slowing the deployment of electric machinery and automation technologies. Companies deferred investments in electrification while focusing on essential operations and cost reduction. Furthermore, delays in renewable energy adoption and infrastructure upgrades restrained market expansion. Despite these challenges, the pandemic emphasized the importance of energy-efficient and automated systems, paving the way for renewed opportunities in industrial electrification as industries recovered and prioritized sustainable, resilient modernization.

The electric switchgear segment is expected to be the largest during the forecast period

The electric switchgear segment is expected to account for the largest market share during the forecast period due to its critical role in managing and protecting electrical circuits within industrial systems. Switchgear devices regulate electricity flow, safeguard machinery from faults, and support stable power delivery in automated environments. Their importance increases with the adoption of renewable energy, electric drives, and automated industrial processes, making them fundamental to electrified operations.

+357 96 030922
info@marketpublishers.com

Industries invest heavily in switchgear to enhance safety, maintain power reliability, and comply with standards. Because effective power control infrastructure is vital for industrial electrification success, switchgear continues to command the largest segment share in the market.

The smart factories & automation segment is expected to have the highest CAGR during the forecast period

Over the forecast period, the smart factories & automation segment is predicted to witness the highest growth rate due to the accelerated adoption of electrification technologies in automated production environments. Electrification supports advanced monitoring, predictive maintenance, and integrated control systems, all central to smart manufacturing. As industries adopt Industry?4.0 practices and leverage digital technologies, electrified automation solutions gain traction more rapidly than conventional segments such as manufacturing facilities or oil & gas electrification. This trend toward connected, efficient, and adaptive industrial systems underpins the robust growth of the smart factories & automation segment in the electrification market.

Region with largest share:

During the forecast period, the Asia Pacific region is expected to hold the largest market share, driven by swift industrial growth, major infrastructure projects, and growing use of energy efficient electrification technologies in countries like China, India, and Japan. The surge in manufacturing activities and urbanization, combined with supportive policies for renewable energy adoption and electrification initiatives, has strengthened demand across the region. Furthermore, industries are increasingly focusing on reducing emissions and improving efficiency through electrified automation, reinforcing Asia Pacific’s leadership position in the market’s regional landscape.

Region with highest CAGR:

Over the forecast period, the Asia Pacific region is anticipated to exhibit the highest CAGR driven by swift industrial development, robust investments in electric technologies, and supportive policies promoting energy efficiency. Countries in the region are modernizing factories with electrified systems, integrating renewable power sources, and implementing automation to meet rising production and sustainability demands. Rapid urbanization and infrastructure expansion also contribute to increased electrification adoption. These dynamics make Asia Pacific the fastest?growing regional segment in the industrial electrification market, outpacing other regions in terms of

+357 96 030922
info@marketpublishers.com

growth rate during the forecast period.

Key players in the market

Some of the key players in Industrial Electrification Market include Aisin Seiki Co. Ltd., Continental AG, BorgWarner Inc., Wabco Holdings Inc., Delphi Automotive Plc, Hitachi Automotive Systems Ltd., Denso Corporation, Johnson Controls Inc., JTEKT Corporation, Johnson Electric, Magna International Inc., Eaton Corporation, Mitsubishi Electric Corporation, Valeo SA, ZF Friedrichshafen AG, Rockwell Automation, Bharat Bijlee Limited and Phoenix Contact.

Key Developments:

In December 2025, Mitsubishi Electric Corporation announced that it has invested in and signed a strategic alliance agreement with Tulip Interfaces, Inc., a Massachusetts, USA-based leader no-code platforms for system operations without programming to support manufacturing digitalization. Tulip Interfaces is also an expert in introducing manufacturing-targeted microservices, which divide large-scale systems into small, independent services to enable flexible development and operations.

In December 2025, Denso Corporation and Delphy Groep BV have entered into a Joint Development Agreement, to advance technologies that support stable planned cultivation within data-driven smart horticulture systems. The agreement deepens the collaboration initiated under an April 2025 Memorandum of Understanding, with both companies now formally aligned on developing next-generation cultivation and prediction tools for greenhouse growers.

In October 2025, Continental AG has reached a deal with former managers that will see their insurance pay damages between 40 million and 50 million euros in connection with the diesel scandal. The deal with insurers, subject to shareholder approval, covers only some of the total damages of 300 million euros.

Product Types Covered:

Electric Actuators

Electric Switchgear

Electric HVAC Systems

+357 96 030922
info@marketpublishers.com

- Power Distribution Units (PDUs)
- Electrified Excavation Equipment
- Electrified Pumping Systems

Sales Channels Covered:

- Direct Sales
- Distributor/Retail Channels
- Online/E-Commerce Platforms

Applications Covered:

- Manufacturing Plants
- Oil & Gas Electrification
- Smart Factories & Automation

End Users Covered:

- Automotive & Transportation
- Aerospace & Defense
- Chemicals & Petrochemicals
- Food & Beverages
- Energy & Power
- Electronics & Semiconductors

+357 96 030922
info@marketpublishers.com

- Healthcare & Packaging
- Mining & Heavy Industry

Regions Covered:

- North America
  - United States
  - Canada
  - Mexico
- Europe
  - United Kingdom
  - Germany
  - France
  - Italy
  - Spain
  - Netherlands
  - Belgium
  - Sweden
  - Switzerland
  - Poland
  - Rest of Europe

+357 96 030922
info@marketpublishers.com

- Asia Pacific
  - China
  - Japan
  - India
  - South Korea
  - Australia
  - Indonesia
  - Thailand
  - Malaysia
  - Singapore
  - Vietnam
  - Rest of Asia Pacific
- South America
  - Brazil
  - Argentina
  - Colombia
  - Chile
  - Peru
  - Rest of South America

+357 96 030922
info@marketpublishers.com

Rest of the World (RoW)

Middle East

Saudi Arabia

United Arab Emirates

Qatar

Israel

Rest of Middle East

Africa

South Africa

Egypt

Morocco

Rest of Africa

What our report offers:
- Market share assessments for the regional and country-level segments
- Strategic recommendations for the new entrants
- Covers Market data for the years 2023, 2024, 2025, 2026, 2027, 2028, 2030, 3032 and 2034
- Market Trends (Drivers, Constraints, Opportunities, Threats, Challenges, Investment Opportunities, and recommendations)
- Strategic recommendations in key business segments based on the market estimations
- Competitive landscaping mapping the key common trends
- Company profiling with detailed strategies, financials, and recent developments
- Supply chain trends mapping the latest technological advancements

Free Customization Offerings:

+357 96 030922
info@marketpublishers.com

All the customers of this report will be entitled to receive one of the following free customization options:

- Company Profiling
  - Comprehensive profiling of additional market players (up to 3)
  - SWOT Analysis of key players (up to 3)
- Regional Segmentation
  - Market estimations, Forecasts and CAGR of any prominent country as per the client's interest (Note: Depends on feasibility check)
- Competitive Benchmarking
  - Benchmarking of key players based on product portfolio, geographical presence, and strategic alliances

+357 96 030922
info@marketpublishers.com

Contents

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

List Of Tables

LIST OF TABLES

+357 96 030922
info@marketpublishers.com

Note: Tables for North America, Europe, APAC, South America, and Rest of the World (RoW) Regions are also represented in the same manner as above.

+357 96 030922
info@marketpublishers.com

I would like to order

Product name: Industrial Electrification Market Forecasts to 2034 – Global Analysis By Product Type (Electric Actuators, Electric Switchgear, Electric HVAC Systems, Power Distribution Units (PDUs), Electrified Excavation Equipment and Electrified Pumping Systems), Sales Channel, Application, End User and By Geography

Product link: https://marketpublishers.com/r/IC7791B78550EN.html

Price: US$ 4,150.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:
info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/IC7791B78550EN.html